



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2015 REGULAR SESSION

HOUSE BILL NO. 358

FRIDAY, FEBRUARY 27, 2015

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED
DATE March 30, 2015
3:35pm
ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY K. Adler

1 AN ACT relating to military affairs and declaring an emergency.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 36 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) As used in this section, unless the context requires otherwise:

6 (a) "Morale, welfare, and recreation facility" means any post exchange,
7 canteen, barber shop, fitness center, snack bar, transient housing, billeting
8 operation, daycare, laundry, or similar facility, the purpose of which is to
9 enhance the morale and welfare of military personnel;

10 (b) "Nonappropriated fund employee" means an employee of a
11 nonappropriated fund instrumentality who is not an employee of the federal
12 government or the Commonwealth of Kentucky; and

13 (c) "Nonappropriated fund instrumentality" means an enterprise operated
14 exclusively with funds derived from sales or user fees, which receives no
15 legislative appropriations for its operations.

16 (2) (a) The adjutant general is authorized to establish morale, welfare, and
17 recreation facilities within the state as in his or her judgment may be
18 necessary and proper for military purposes.

19 (b) Morale, welfare, and recreation facilities may be established at any property
20 under the control of the Department of Military Affairs.

21 (c) As used in this subsection, "property under the control of the Department of
22 Military Affairs" means any property on the facility installations stationing
23 plan as maintained by the construction and facilities manager for the
24 Kentucky National Guard, and includes all armories, training areas,
25 ranges, and other facilities leased, licensed, or owned by the Department of
26 Military Affairs.

27 (3) Notwithstanding any other provision of law to the contrary, the adjutant general

1 is authorized to establish a nonappropriated fund instrumentality for the purpose
 2 of operating the morale, welfare, and recreation facilities.

3 (4) A nonappropriated fund instrumentality established under this section may:

4 (a) Contract for goods and services;

5 (b) Hire nonappropriated fund employees under terms and conditions as it may
 6 negotiate, subject only to applicable state and federal labor laws;

7 (c) Establish a system of bookkeeping, accounting, and auditing procedures for
 8 the proper handling of funds derived from its operations; and

9 (d) Perform any other action necessary to establish a board, corporation, or
 10 other entity for the purpose of operating the morale, welfare, and recreation
 11 facilities.

12 (5) A nonappropriated fund instrumentality established under this section is solely
 13 responsible for its operations. No debt of the nonappropriated fund
 14 instrumentality is a debt of the Commonwealth. An action of the nonappropriated
 15 fund instrumentality is not an action of the Commonwealth, and shall not
 16 obligate the Commonwealth in any manner.

17 (6) The adjutant general may promulgate administrative regulations for the
 18 operation of morale, welfare, and recreation facilities and any nonappropriated
 19 fund instrumentality established under this section.

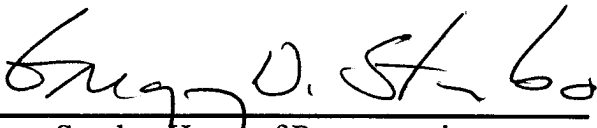
20 (7) All proceeds derived from the operation of the morale, welfare, and recreation
 21 facilities within the state shall, after payment of operating expenses,
 22 notwithstanding any other provision of law to the contrary, be used exclusively to
 23 benefit the morale, welfare, and recreation facilities.

24 (8) Use of the morale, welfare, and recreation facilities provided for in this section is
 25 limited to:


26 (a) Current and retired members of the Kentucky National Guard and their
 27 eligible dependents; and

1 **(b) Civilian employees of the United States or the Commonwealth of Kentucky**
2 **working under Department of Military Affairs management or in support of**
3 **Department of Military Affairs activities.**

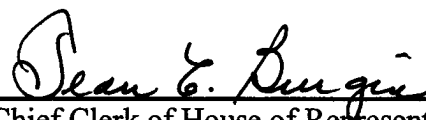
4 ➔Section 2. Whereas the Department of Military Affairs has been offered a
5 substantial sum of money to establish morale, welfare, and recreation facilities that will
6 benefit the members of the National Guard and their dependents and make their service to
7 the United States and Commonwealth easier and the offer is time sensitive, an emergency
8 is declared to exist, and this Act takes effect upon its passage and approval by the
9 Governor or upon its otherwise becoming a law.



Speaker House of Representatives



President of Senate

Attest: 

Chief Clerk of House of Representatives

Approved 

Governor

Date 3/30/15